



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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July 7, 2000

CERTIFIED RETURN RECEIPT

Z 230 748 213

Lon Thomas
Star Stone Quarries, Inc.
4040 South 300 West
Salt Lake City, Utah 84107

Re: Notice of Conditional Tentative Approval to Commence Large Mining Operations, Star Stone Quarries, Inc., Rosebud Mine, M/003/026, Box Elder County, Utah

Dear Mr. Thomas:

The Division has completed the forth review of your Notice of Intention to Commence Large Mining Operations for the mine, located in Box Elder County, Utah, which was received June 15, 2000. After reviewing the information, the Division hereby grants tentative approval of the Rosebud large mining permit application. We will now proceed to publish a formal notice of tentative approval in the appropriate Salt Lake City and Box Elder County newspapers. This will begin the required 30-day public comment period. If no substantive comments are received during the public comment period, the Division will then be prepared to issue its final approval for this project.

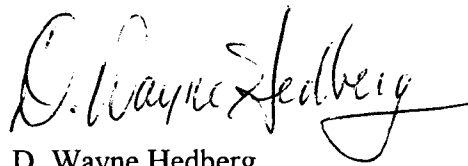
Prior to issuing final approval, a Reclamation Contract (Form MR-RC) must be completed and filed with this office. It must be attached to the updated reclamation surety for this project. The new reclamation surety amount is \$68,700 (copy of reclamation surety estimate attached). Please let us know which type of surety you propose to post so we can provide you with the appropriate surety form. Please provide us with a "draft" copy of the completed reclamation contract and surety form before they are finalized so we can review them for completeness and accuracy.

Please note, the Division must receive the reclamation surety by the end of the public comment period (on or near August 14, 2000). Without the required surety, the Division may be forced to withdraw its tentative approval and order reclamation of the Rosebud Quarry.

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Lon Thomas
M/003/026
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Thank you for your cooperation in completing this permitting action. If you have any questions in this regard please contact me, Lynn Kunzler, or Doug Jensen of the Minerals Staff.

Sincerely,

A handwritten signature in cursive script, reading "D. Wayne Hedberg". The signature is written in dark ink and is positioned above the printed name and title.

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb
Attachment: Reclamation Surety Estimate
cc: Mike Ford, BLM
Mary Ann Wright, DOGM
Lynn Kunzler, DOGM
rosebud-tent-apv

1	RECLAMATION SURETY ESTIMATE					
2	Star Stone Quarries Inc.					last revision
3	Rosebud Mine					07/06/00
4	DOGM file number M/003/026			Box Elder County		
5	Prepared by Utah State Division of Oil, Gas & Mining					
6	-This estimate uses a D8 size dozer for most earthwork					
7	An allowance has been made for 0.2 acres for an existing road that will not be reclaimed. (12' width)					
8						
9	On-site dump material used to re-slope pit face in calculations. Distance of material movement requires					
10	the use of both a dozer and a front end loader or a loader/truck combination. Dozer/loader combination					
11	is used for the purposes of this calculation					
12						
13	Note: actual unit costs may vary according to site conditions last unit cost update 08/25/99					
14	-Amount of disturbed area which will receive reclamation treatments =				9.3 acres	
15	-Estimated total disturbed area for this mine =				9.5 acres	
16	Activity	Quantity	Units	\$/unit	\$	Note
17	Regrading waste dump slopes	20,000	CY	0.47	9,400	(1)
18	Resloping pit walls/Dozer	30,000	CY	0.47	14,100	
19	Resloping pit walls/FE Loader	12,500	CY	1.15	14,375	(2)
20						
21	Ripping stockpile & compacted areas	1.0	acre	220	220	(2)
22						
23	Topsoil replacement - dozer(6" depth)	6980	CY	0.47	3,281	(3)
24	Topsoil replacement - FE loader	3490	CY	1.15	4,013	(4)
25						
26	Composted manure (5 ton/acre)	9.3	acre	150	1,395	(5)
27	Broadcast seeding (~20 lb/acre)	9.3	acre	170	1,581	(6)
28						
29	General site cleanup & trash removal @50%	4.6	acre	50	230	(7)
30						
31	Equipment mobilization	2	equip	1000	2,000	(8)
32						
33	Reclamation Supervision	8	days	372	2,976	(9)
34		Subtotal			53,571	
35	10% Contingency				5,357	
36		Subtotal			\$58,928	
37	Escalate for 5 years at 3.13% per yr				9,818	
38		Total			\$68,746	
39		Rounded surety amount in yr 2005-\$			\$68,700	
40	Average cost per disturbed acre =				\$7,232	

Note

- (1) Means 1998 & Rental Rate Blue Book 4/98: Cat D8N, U, mtl 2550 lb/CY, 300 ft push
- (2) Means 1998 & Rental Rate Blue Book 4/98: Cat D8N, U, multi shank rippers, speed 1.0 mph
- (3) Means 1998 & Rental Rate Blue Book 4/98: Cat D8N, U, mtl 2550 lb/CY, 250 ft push
- (4) Hauling excavated or borrow material.
- (5) DOGM general estimate - manure \$30/ton delivered & spread
- (6) DOGM general estimate - broadcast seeding
- (7) DOGM general estimate - site cleanup & trash removal
- (8) DOGM general estimate - equipment mobilization
- (9) Means 1998, 010-036-0180, project manager, minimum \$1,815/wk